



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 23, 1998

### **S. 1727**

#### **A bill to authorize the comprehensive independent study of the effects on trademark rights of adding new generic top-level domains and related dispute resolution procedures**

*As reported by the Senate Committee on the Judiciary on September 17, 1998*

Since 1987, the Internet has used a hierarchical addressing system to access specific sites. At the top of the hierarchy are generic top-level domains (gTLDs) such as ".com," ".gov," and ".mil." Organizations that conduct business on the Internet often seek to have Internet addresses that closely reflect their names or functions. Expanding the number of gTLDs could increase the number of possible Internet addresses, but could also make it easier for some businesses to dilute or infringe trademarks by having Internet addresses that are slight spelling variations of established trademarks.

S. 1727 would authorize the National Research Council to conduct a nine-month study of trademark rights, gTLDs, and related disputes. The bill would authorize the appropriation of \$800,000 for fiscal year 1999 to cover the costs of the study. Assuming S. 1727 is enacted near the start of fiscal year 1999 and that the authorized amount is appropriated for that year, CBO estimates that implementing the bill would cost \$800,000 in 1999.

S. 1727 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact is Mark Hadley. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.